

New runway will attract carriers

DAILY NEWS

An expanded runway at the Nanaimo airport could attract interest from smaller carriers though it may be years before major airlines like WestJet consider providing service here, says an expert in transportation economics.

The \$16.4-million phase one of the project at the local airport is set to wrap up this year, which will extend the runway by about one-fifth. The second phase of the expansion is slated to be completed by spring of 2011.

The area's current population does mean people shouldn't expect new carriers to flock to Nanaimo right away, said Dr. David Gillen, with the Sauder School of Business at the University of B.C.

"Right now the environment is probably a little weak for expansion, particularly into smaller markets," he said.

WestJet spokesman Robert Palmer said his company looks at the size of the population and the past and current experience with air

service to the community before deciding whether or not to expand to an area.

Palmer said their competitors usually use 35- to 50-seat turbo-prop aircraft to serve smaller markets like Nanaimo. But WestJet's smallest plane, the Boeing 737 Next Generation, has 119 seats making it not economically viable to fly there.

Smaller, regional airlines are more likely to provide service from Nanaimo, he said. However, Air Canada, which currently services Nanaimo, has been known to boost their flight frequencies in the past when smaller airlines have tried to move in on a market it dominated.

This has driven competing airlines out in the past, he said.

Mike Hooper, the airport's president and CEO, said he's already had interest from several airline carriers and he points out that the expansion plan is based on a 50-year strategy.

"It's OK if it's further into the future for full use of the facility."